

** SECTION 362 INFORMATION SHEET **

Stephen Makowiecki, Sr. and Barbara Makowiecki, Sr.
DEBTORNV362#

Chapter 7
Case No.: 10-12049-lbr

HSBC Bank USA, National Association, as Indenture Trustee of the Fieldstone Mortgage Investment Trust, Series 2006-2

MOVANT

PROPERTY INVOLVED IN THIS MOTION: 2413 Whirlaway St. , Las Vegas NV 89108

NOTICE SERVED ON: Debtor(s) ____x____; Debtor (s) Counsel ____x____; Trustee ____x____

DATE OF SERVICE: _____

MOVING PARTY'S CONTENTIONS:

The EXTENT and PRIORITY of LIENS:

1st HSBC Bank USA, National Association, as
Indenture Trustee of the Fieldstone Mortgage
Investment Trust, Series 2006-2 \$247,141.86
(PB)

2nd Litton Loan Servicing-HELOC \$53,810.00

Total Encumbrances: \$300,951.86

APPRAISAL or OPINION as to VALUE:

"Per attached Schedule "A" \$270,000.00

TERMS OF MOVANT'S CONTRACT
WITH THE DEBTOR

Amount of Note: \$216,000.00

Interest Rate: 4.3200000000000003

Duration: 30 Year

Payment Per Month: \$ 1,539.65

Date of Default: June 1, 2009

Amount of Arrearages:

9 Monthly Payments at \$1,261.46	\$11,353.14
(June 1, 2009 - February 1, 2010)	

Corporate Advance	\$266.60
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Attorneys Fees	\$400.00
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Accrued Late Fees	\$378.42
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Total \$12,398.16

Date of Notice of Default: November 2, 2009

SPECIAL CIRCUMSTANCES: I, Gregory L.

Wilde, hereby certify that an attempt has been made to confer with debtor(s) counsel, or with debtor(s) and that more than two (2) business days have expired, and that after sincere effort to do so, counsel has been unable to resolve this matter without court action.

SUBMITTED BY: _____

SIGNATURE: _____

DEBTOR'S CONTENTIONS:

The EXTENT and PRIORITY of LIENS:

1st _____

2nd _____

Total Encumbrances: \$ _____

APPRAISAL or OPINION as to VALUE:

OFFER OF "ADEQUATE

PROTECTION" FOR MOVANT:

SPECIAL CIRCUMSTANCES:

SUBMITTED BY: _____

SIGNATURE: _____

1 WILDE & ASSOCIATES
Gregory L. Wilde, Esq.
2 Nevada Bar No. 004417
3 212 South Jones Boulevard
Las Vegas, Nevada 89107
4 Telephone: 702 258-8200
bk@wildelaw.com
5 Fax: 702 258-8787

Electronically Filed on _____

6 MARK S. BOSCO, ESQ.
Arizona Bar No. 010167
7 TIFFANY & BOSCO, P.A.
8 2525 East Camelback Road, Suite 300
Phoenix, Arizona 85016
9 Telephone: (602) 255-6000

10 HSBC Bank USA, National Association, as Indenture Trustee of the Fieldstone Mortgage Investment
11 Trust, Series 2006-2
10-70706

12 **UNITED STATES BANKRUPTCY COURT**
13 **DISTRICT OF NEVADA**

14 In Re:

Bk Case No.: 10-12049-lbr

15 Stephen Makowiecki, Sr. and Barbara Makowiecki

Date: 3/31/2010

Time: 10:00 am

Chapter 7

16 Debtors.
17
18

19 **MOTION FOR RELIEF FROM AUTOMATIC STAY**

20 HSBC Bank USA, National Association, as Indenture Trustee of the Fieldstone Mortgage
21 Investment Trust, Series 2006-2 , Secured Creditor herein, ("Secured Creditor" or "Movant"
22 hereinafter), alleges as follows:

23 1. That on or about February 10, 2010, the above named Debtors filed this instant Chapter
24 7 Petition in Bankruptcy with the Court.

25 2. Mortgage Electronic Registration Systems (MERS herein) is the original beneficiary
26 solely as nominee for Fieldstone Mortgage Company as indicated in the Deed of Trust. Secured

Creditor received an assignment from MERS as nominee for Fieldstone Mortgage Company on or about April 1, 2008 which grants Secured Creditor all beneficial interest under the Deed of Trust. The Assignment of Deed of Trust is attached as Exhibit "A".

3. Secured Creditor is the current payee of a promissory note dated June 27, 2006 in the principal sum of \$216,000.00 ("Promissory Note" herein), secured by a Real Property Trust Deed of same date ("Trust Deed" herein) upon property generally described as 2413 Whirlaway St., Las Vegas, NV 89108, and legally described as follows:

LOT EIGHTY-THREE (83) IN BLOCK B OF NEW WEST SUBDIVISION NO 1 AS SHOWN BY MAP THEREOF ON FILE IN BOOK 23 OF PLATS 100 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY NEVADA.

("subject property" herein).

Secured Creditor is informed and believes, and, based upon such information and belief, alleges that title to the subject property is currently vested in the name of Debtors.

4. Immediately prior to the filing of this Motion, the status of payment towards the Secured Creditor's note was as follows:

- a. The current monthly payment under the note is \$1,261.46.
- b. The most recent payment received by the Secured Creditor was on February 17, 2010 in the amount of \$2,800.00.
- c. Pursuant to the terms of the note and general accounting principles, this payment was applied to the June 1, 2009 payment.
- d. The Secured Creditor has also incurred Attorneys Fees of \$750.00 and a filing fee of \$150.00 which are part of the total arrears below.
- e. The current amount due and owing is as follows:

9 Monthly Payments at \$1,261.46 (June 1, 2009 - February 1, 2010)	\$11,353.14
Corporate Advance	\$266.60
Attorneys Fees	\$400.00
Accrued Late Fees	\$378.42
Total	\$12,398.16

1 through February 22, 2010 with another payment coming due on the first (1st) day of every month
2 thereafter, and a late charge becomes due on any payment not paid within fifteen (15) days from the
3 date the monthly payment is due.
4

5 Secured Creditor will provide an update of the above information for the Court and interested parties if
6 there is an opposition filed or upon written request to undersigned counsel.

7 5. Movant is informed and believes and therefore alleges that the Debtors and bankruptcy
8 estate have insufficient equity in the property. The fair market value of the property pursuant to
9 Debtors' Schedule "A" is \$270,000.00, less ten percent (10%) cost of marketing, less the first and
10 second secured liens resulting in insufficient equity. Therefore, secured creditor is not adequately
11 protected. A true and correct copy of the Debtors' Schedule "A" is attached hereto as Exhibit "B".

12 6. Secured Creditor initiated foreclosure proceedings on this Property by recording a
13 Notice of Default on or about November 2, 2009.

14 7. Secured Creditor has incurred to date attorney's fees of approximately \$750.00.

15 8. Secured Creditor urges that this Court issue an Order herein permitting this Secured
16 Creditor to proceed to a Foreclosure Sale of the Property, including necessary action to obtain
17 possession of the Property.

18 9. Secured Creditor's Information Sheet as to the extent of liens and encumbrances against
19 the subject property is attached hereto as Exhibit "C" and incorporated herein by reference. Secured
20 Creditor will seek leave of Court to specify any further encumbrances against the subject property at
21 the time of hearing.

22 10. William A. Leonard has been appointed by this Court the Chapter 7 Trustee in this
23 instant Bankruptcy proceeding. By virtue of the position as Trustee of the estate of Debtors herein,
24 Debtors hold title to the subject property in that capacity. To the extent the relief sought herein is
25 granted, Respondent, William A. Leonard, Trustee, is bound by such judgment.

26 11. This Court has jurisdiction of this action pursuant to the provisions of 11 U.S.C. Section
362(d).

1 WHEREFORE, Secured Creditor prays judgment as follows:

2 (1) For an order granting relief from the Automatic Stay, and permitting this Secured
3 Creditor to move ahead with foreclosure proceedings under this Secured Creditor's Trust Deed and to
4 sell the subject property at a Foreclosure Sale under the terms of said Trust Deed, including necessary
5 action to obtain possession of the Property.

6 (2) That a finding that Rule 4001(a)(3) of the Rules of Federal Bankruptcy Procedure is not
7 applicable and Secured Creditor may immediately enforce and implement the order granting relief from
8 the automatic stay.

9 (3) In the alternative, an Order requiring the Debtors to reinstate and maintain all
10 obligations due under all of the trust deeds encumbering the subject property and further allowing
11 Secured Creditor with the remedies to proceed with foreclosure should the Debtor not maintain
12 payments.

13 (4) For attorneys' fees and costs of suit incurred herein.

14 (5) For such other and further relief as this Court deems appropriate.

15 DATED this 22nd day of February, 2010.

16 **WILDE & ASSOCIATES**

17 By:  s/Gregory L. Wilde, Esq

18 **GREGORY L. WILDE, ESQ.**

19 Attorney for Secured Creditor
20 212 South Jones Boulevard
21 Las Vegas, Nevada 89107
22
23
24
25
26

9780303777

Assessor's Parcel Number: 138-13-414-038
 Return To: *4 MAIL TO STATEMENTS TO*
 FIELDSTONE MORTGAGE COMPANY
 11800 BROOKS LANE PKWY. 8600
 COLUMBIA, MD 21044

Prepared By: MARCIA HARPER
 FIELDSTONE MORTGAGE COMPANY

Recording Requested By:

01207304W

(Space Above This Line For Recording Data)

DEED OF TRUST

MIN 10005269780905777.9

CERTIFIED TRUE COPY OF ORIGINAL
 SUBMITTED FOR RECORDATION

BY: *ML*

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated June 27, 2006 together with all Riders to this document.

(B) "Borrower" is

STEPHEN MAKOWIECKI SR & BARBARA MAKOWIECKI, HUSBAND & WIFE, AS JOINT TENANTS,
 STEPHEN MAKOWIECKI JR. & ~~BARBARA MAKOWIECKI~~ AS HIS SOLE AND SEPARATE PROPERTY
& Unmarried man

Borrower is the grantor under this Security Instrument.

(C) "Lender" is

FIELDSTONE MORTGAGE COMPANY

Lender is a CORPORATION
 organized and existing under the laws of

NEVADA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
 WITH MERCS

Form 3023 1/01

440-4A(NV) (0307)

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VMP Mortgage Solutions, Inc.
 (800)521-7291

Initials: *SMC*
B.A.M.
SMC



Lender's address is

11009 BROKEN LAND PKWY. #500

(D) "Trustee" is

COLUMBIA, MD 21044

ROBERT V. BUDENGA

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Pim, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated June twenty-seventh, 2006. The Note states that Borrower owes Lender

TWO HUNDRED SIXTEEN THOUSAND & 00/100

(U.S. \$ 216,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than JULY 1, 2046

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower (check box as applicable):

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) (specify) |

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property;

(R) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to

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TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be governed by the Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to execute any and all of those instruments, including, but not limited to, the right to foreclose and sell the Property, and to take any action required of Lender, including, but not limited to, releasing and reconveying this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances

(City, Nevada) 89108
 (State)
 (Zip Code)

Parcel ID Number: 128-13-414-018
 3413 WILKINSON ST
 LAS VEGAS

All that tract or parcel of land as shown on Schedule "A" attached hereto which is incorporated herein and made a part hereof.

The beneficiary of this Security Instrument is MERS (noting as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender, (a) the repayment of the Loan, and all reasonable, customary and modifications of the Note; and (b) the performance of Borrower's obligations under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the COUNTY of Clark (Type of Recording Jurisdiction):

(b) "Successor" to Lender or Borrower means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFERS OF RIGHTS IN THIS PROPERTY

time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and pay prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 13. Lender may return any payment or partial payment if the payment or partial payment is insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. **Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attach priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rent on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds

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for any or all Factor Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Factor Items at any time. Any such waiver may only be in writing, in the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Factor Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments, and to provide receipts shall for all purposes be deemed to be a covenant and agreement to make such payments, and Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated to repay to Lender any such amount. Lender may revoke the waiver as to any or all Factor Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and to such amounts, that are then required under this Section 1).

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Factor Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a Federal agency, commercially, or equity (including Lender). If Lender is an institution whose deposits are insured by a Federal agency, Lender shall apply the Funds to pay the Factor Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, but shall, annually, reimburse Borrower for the costs of Funds held in escrow, as defined under RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges. Lender shall pay all taxes, assessments, charges, fees, and impositions attributable to the Property which can attach prior to the Security Instrument, including payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Factor Items, Borrower shall pay them to the extent provided in Section 1).

Borrower shall promptly discharge any lien which has priority over this Security Instrument, unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien to a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) consents the lien to good faith by, or otherwise agrees to the payment of the lien in legal proceedings with Lender's option to proceed to enforce the Lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attach prior to the Security Instrument, Lender may give the Borrower a notice identifying the lien, within 10

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days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires, interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to

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the same covered by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claims and adjust matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 24 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay whatever is unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extraordinary circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purpose. Lender may disburse proceeds for the repair and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspection of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or foreclosure, the enforcement of a lien which may take priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay the whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or ensuring the value of the Property, and ensuring and/or equipping the Property. Lender's actions can include, but are not limited to: (a) paying any sums incurred by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its second position.

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Initials of Borrower
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Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, with Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's interest in the Property is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect each Property to ensure the work has been completed in Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repair and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by the Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds available by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make its claim to secure a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owns Borrower's Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun (a) in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if exoneration has occurred, rescission as provided in Section 13, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award of claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Performance By Lender Not a Waiver. Extension of the time for payment or satisfaction of amortization of the sums secured by this Security Instrument granted by Lender

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Initials: *S.H.S.* B.A.M. Form 3020 1/01*S.H.S.*

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to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successor in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify acceleration of the sums secured by this Security Instrument by reason of any default made by the original Borrower or any Successor in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. **Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. **Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations

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contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. **Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

18. **Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. **Borrower's Right to Reinstatement After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure the Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. **Sale of Note; Change of Loan Servicer; Notice of Grievances.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects periodic payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the

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address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party herein a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. **Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

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25. Assumption Fee. If there is an assumption of this loan, Lender may charge an assumption fee of U.S. \$ NOT ASSUMABLE

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

(Seal)
STEPHEN MAKOWSKI SR
Borrower

(Seal)
BARBARA MAKOWSKI
Borrower

(Seal)
STEPHEN MAKOWSKI JR
Borrower

(Seal)
Borrower

(Seal)
Borrower

SA(NV) (0507)

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STATE OF NEVADA
COUNTY OF Clark

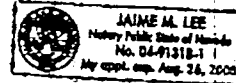
This instrument was acknowledged before me on *June 28, 2006*

STEPHEN MAKOWIECKI SR
BARBARA MAKOWIECKI
STEPHEN MAKOWIECKI JR

by

Jaime M. Lee

Notary Tax Statement To:



6A(NV) (0307)

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Initials: *See SR*
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Form 3029 2/01

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EXHIBIT "A"

All that certain real property situated in the County of Clark, State of Nevada,
described as follows:

Lot Eighty-Three (83) in Block "B" of New West Subdivision No. 1, as shown by
map thereof on file in Book 23 of Plats, Page 100 in the Office of the County
Recorder of Clark County, Nevada.

Assessor's Parcel Number: 138-13-414-038

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ADJUSTABLE RATE RIDER

(LIBOR Six-Month Index (As Published in The Wall Street Journal) - Rate Caps)

THIS ADJUSTABLE RATE RIDER (As Published in The Wall Street Journal) - Rate Caps and is incorporated into and shall be deemed to amend and supplement the Mortgage Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to KLEINSTROM MORTGAGE COMPANY.

(Lender) of the same date and covering the property described in the Security Instrument and located at:

3413 WILLOWAY ST., LAS VEGAS, NEVADA 89108

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

This Note provides for an initial interest rate of 7.950 %.

The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate will pay on the first day of each month and on that day every six months thereafter. Each date on which the interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an index. The "index" is the average of bank-offered rates for six month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal. The most recent index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."

If the index is no longer available, the Note Holder will choose a new index that is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding five and one-eighth (5.625%) to the Current Index. The Note Holder will then round the result of () to the Current Index. The Note Holder will give me notice of this choice.

MULTI-STATE ADJUSTABLE RATE RIDER - LIBOR SIX-MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family - Fannie Mae Uniform Instrument

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WMP Mortgage Solutions, Inc.

Form 3158 (04/02) Initial 3158 (01)

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WMP Mortgage Solutions, Inc.

(909) 521-7231

this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 10.900 % or less than 7.900 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than

percentage points
(1.000 %) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 13.900 %.

(E) Effective Date of Changes My interest rate will never be less than 7.900%. My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER
Uniform Covenant 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract, or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

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Initials: *[Signature]*
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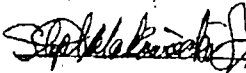
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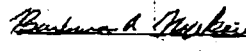
If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.


_____(Seal)
-Borrower

 (Seal)
STEPHEN MAKOWIECKI SR -Borrower

_____(Seal)
-Borrower

 (Seal)
BARBARA MAKOWIECKI -Borrower

_____(Seal)
-Borrower

 (Seal)
STEPHEN MAKOWIECKI JR -Borrower

_____(Seal)
-Borrower

_____(Seal)
-Borrower

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ADJUSTABLE RATE NOTE

(LIBOR Six-Month Index (As Published In The Wall Street Journal) - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

June 27, 2006
(Date)

LAS VEGAS
(City)

NEVADA
(State)

2413 WHITELANAY ST., LAS VEGAS, Nevada 89108
(Property Address)

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S.\$ 216,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is FIELDSTONE MORTGAGE COMPANY

I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.900 %. The interest rate I will pay may change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay Principal and interest by making a payment every month.

I will make my monthly payments on the first day of each month beginning on August 1, 2006

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on July 1, 2046, I still owe amounts under this

Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 11000 BROOKER LANE FENNY, #400 COLUMBIA, MD 21044

or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S.\$ 1,485.69 This amount may change.

(C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid Principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

MULTISTATE ADJUSTABLE RATE NOTE - LIBOR SIX-MONTH INDEX (AS PUBLISHED IN THE WALL STREET JOURNAL) - Single Family - Fannie Mae UNIFORM INSTRUMENT

432M (0215)

Form 3520 (06)

VAP MORTGAGE FORMS - 00001-721

Page 1 of 6

SA B.A.M.
SML



20 P

90:01 9006 82 101

Fax:945550140

9980 FIELDS FARO

WELLS FARGO

Fax: 949 955 0140

Jul 28 2006 13:07

P. 03

Form 1001
8.11.06
W.F.

Page 2 of 2

Form 1001

6. LOAN CHARGES
If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge that exceeds the permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the amount that exceeds the permitted limits; and (b) any such loan charge that exceeds the permitted limits will be refunded to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

5. BORROWER'S RIGHT TO PREPAY
I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under this Note.
I may make a full Prepayment or partial Prepayment without paying any Prepayment charges. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayments to the accrued and unpaid interest on the Prepayment amount before applying my Prepayments to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no charges in the due date of my monthly payments unless the Note Holder agrees in writing to those charges. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

(C) Notice of Changes
The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payments before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

(E) Effective Date of Changes
My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(F) Limits on Interest Rate Changes
The interest rate I am required to pay at the first Change Date will not be greater than:
10.000 %
or less than:
7.900 %.
Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than:
one percentage point(s).
My interest rate will never be less than 7.900 %.
From the rate of interest I have been paying for the preceding month, my interest rate will never be greater than 13.900 %.

(D) Limits on Interest Rate Changes
The result of this calculation will be the new amount of my monthly payment.
Principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal to the amount of the monthly payment that would be sufficient to repay the unpaid Principal.
The Note Holder will then determine the amount of the monthly payment that will be my new interest rate (the "Change Date").
Subject to the limits stated in Section 4(D) below, the rounded amount will be my new interest rate (the "Change Date").
Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%).
percentage points (0.125%)
5.500 % to the Current

(C) Calculation of Changes
Before each Change Date, the Note Holder will calculate my new interest rate by adding:
yves and one-half

The Note Holder will give me notice of this choice.
If the index is no longer available, the Note Holder will choose a new index that is based upon comparable information.
which the Change Date occurs is called the "Current Index."

Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the average of interest rates for six month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs is called the "Current Index."
(B) The Index
The interest rate I will pay may change on the first day of
each month thereafter. Each date on which my interest rate could change is called a "Change Date."
and on that day every

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

July, 2008

TO: SAC, NEW YORK (100-154141)

7. HOBROWER'S FAILURE TO PAY AS REQUIRED

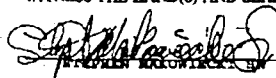
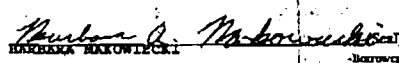

Transfer of the Property or a Beneficial Interest to Borrower. As used in this Section 15, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender also may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay those sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

 _____ (Seal) -Borrower	 _____ (Seal) -Borrower
 _____ (Seal) -Borrower	_____ (Seal) -Borrower
_____ (Seal) -Borrower	_____ (Seal) -Borrower
_____ (Seal) -Borrower	_____ (Seal) -Borrower

Pay To The Order Of
Without Recourse
Fieldstone Mortgage Company

(Sign Original Only)

By 

ALETHA L. CLYBURN
Assistant Vice President

PREPAYMENT NOTE ADDENDUM

This Prepayment Note Addendum is made this 27th day of June, 2006, and is incorporated into and shall be deemed to amend and supplement the Note of the same date (the "Note") made by the undersigned (the "Borrower") to evidence indebtedness to FIELDSTONE MORTGAGE COMPANY (the "Lender"), which debt is secured by a Mortgage or Deed of Trust or comparable security instrument (the "Security Instrument") of the same date and covering the property described in the Security Instrument and located at:

2413 WILLIAMAY ST.
LAS VEGAS NV 89108

(Property Address)

Additional Covenants. Notwithstanding anything to the contrary set forth in the Note or Security Instrument, Borrower and Lender covenant and agree that the provisions of the section of the Note entitled "BORROWER'S RIGHT TO PREPAY" are amended to read as follows:

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". A "Full prepayment" is the prepayment of the entire unpaid principal due under the Note. A payment of only part of the unpaid principal is known as a "partial prepayment." When I make a prepayment, I will tell the Note Holder, in writing that I am doing so.

During the 24 months period beginning with the date I execute the Note (the "Charge Period"), if I make any prepayments I will pay a prepayment charge as consideration for the Note Holder's acceptance of such prepayments. The prepayment charge will equal the amount of interest that would accrue during a six (6) month period on the amount prepaid in a 12-month period that exceeds 20% of the unpaid balance, calculated at the rate of interest in effect under the terms of the Note at the time of the prepayment. No prepayment charge will be assessed for any prepayment occurring after the Charge Period.

The Note Holder will apply prepayments to reduce the amount of principal that I owe under the Note. If I make a partial prepayment, there will be no change in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes.

The Note Holder's failure to collect a prepayment charge at the time a prepayment is received shall not be deemed a waiver of such charge and any such charge calculated in accordance with the provisions of this Addendum shall be payable on demand.

All other provisions of the Note are unchanged and remain in full force and effect.

NOTICE TO BORROWER

Do not sign this Addendum before you read it. This Addendum provides for the payment of a prepayment charge if you wish to repay the loan prior to the date provided for repayment in the Note.

ACKNOWLEDGMENT AND ACCEPTANCE OF TERMS:


Borrower STEPHEN MAKOWIECKI SR


Borrower BARBARA MAKOWIECKI


Borrower STEPHEN MAKOWIECKI JR

Borrower

FS-C179(MU) Multifam: 6months interest; HARD

Receipt/Conformed Copy

~~RECORDING REQUESTED BY:~~

WHEN RECORDED MAIL TO:
National Default Servicing Corporation
2525 East Camelback Road, Suite 200
Phoenix, AZ 85016

NDSC NO.: 08-30645-LL-NV
LOAN NO.: 91057075

APN: 138-13-414-038

Requestor:
FIDELITY NATIONAL DEFAULT SOLUTIONS TL
05/28/2008 12:10:54 T20080090575
Book/Instr: 20080528-0002608
Assignment Page Count: 1
Fees: \$14.00 N/C Fee: \$0.00

Debbie Conway
Clark County Recorder

CORPORATION ASSIGNMENT OF DEED OF TRUST

9816979
For Value Received, the undersigned corporation hereby grants, assigns and transfers to HSBC Bank USA, National Association, as Indenture Trustee for the Fieldstone Mortgage Investment Trust, Series 2006-2 all beneficial interest under that certain Deed of Trust dated 06/27/2006 executed by STEPHEN MAKOWIECKI SR & BARBARA MAKOWIECKI, HUSBAND & WIFE, AS JOINT TENANTS. STEPHEN MAKOWIECKI JR AN UNMARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY Trustor, to ROBERT V. BUDHWA Trustee, and recorded on 06/30/2006 as Instrument No. 20060630-0004625 on in Book Page of Official Records of CLARK County, NV describing the land therein:

AS PER DEED OF TRUST MENTIONED ABOVE.

Together with the Note or Notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Deed of Trust

Date: 4/1/08

MERS - NOMINEE FOR FIELDSTONE MORTGAGE COMPANY

By: Marti Noriega
It s: Vice President

STATE OF Texas
COUNTY OF Harris

Brenda F. McKinzy

On APR 01 2008, 20__, before me, _____, a Notary Public for said State, personally appeared Marti Noriega personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing is true and correct.

WITNESS my hand and official seal.

Signature Brenda F. McKinzy



EXHIBIT A

B6A (Official Form 6A) (12/07)

In re **Stephen Makowiecki, Sr.,
Barbara A Makowiecki**

Case No. _____

Debtors

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
Location: 2413 Whirlaway Street, Las Vegas NV		C	270,000.00	300,952.00

Sub-Total >	270,000.00	(Total of this page)
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Total >	270,000.00
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0 continuation sheets attached to the Schedule of Real Property

(Report also on Summary of Schedules)